



## California-American Water Company (Cal-Am) General Rate Case – D.18-12-021

### *What Does D.18-12-021 Authorize for Cal-Am?*

#### **Increases in Operating Costs in the Following Areas Required Increases in Utility Revenue to be Recovered in Rates:**

- Water supply costs (purchased water, pump taxes, purchased power, Chemicals)
- Water infrastructure: Mains replacement, plant improvements
- Payroll
- Other - Rent, Insurance, Purchased services

#### **Cost Increases Require the Following Increase in Utility Revenue:**

- 2018: \$2.90 million (9.18%) above authorized 2017 revenues
- 2019\*: \$1.59 million (4.63%) above authorized 2018 revenues
- 2020\*: \$1.44 million (4.00%) above authorized 2019 revenues

\*Revenue increases for 2019 and 2020 are estimated using escalation and inflation factors. Actual increases may vary based on current inflation estimates.

#### **Cal-Am's 2018 Revenue to be Recovered in Rates - \$6,875,810**

#### **2018 Balancing and Memorandum Account Recovery:**

- \$18.9M (8.5%) to be recovered company-wide by surcharge
- \$7.2M (3.2%) tax credit to be refunded company-wide by surcredit





## *What Are the Residential Bill Impacts Based on Adopted Revenue Increases?*

Monthly Service Charge by Meter Size	Present Rates	2018	2019	2020
<b>5/8-inch</b>	<b>\$9.89</b>	<b>\$9.63 (-2.6%)</b>	<b>\$10.23 (6.2%)</b>	<b>\$10.64 (4%)</b>
<b>3/4-inch</b>	<b>\$14.84</b>	<b>\$14.45 (-2.6%)</b>	<b>\$15.35 (6.2%)</b>	<b>\$15.96 (4%)</b>
<b>1-inch</b>	<b>\$24.73</b>	<b>\$24.08 (-2.6%)</b>	<b>\$25.58 (6.2%)</b>	<b>\$26.60 (4%)</b>
Water Usage Quantity Rate				
<b>Tier 1 0 to 11 Ccf</b>	<b>\$3.3428</b>	<b>\$3.7718 (12.8%)</b>	<b>\$3.9100 (3.7%)</b>	<b>\$4.0664 (4%)</b>
<b>Tier 2 11+ to 18 Ccf</b>	<b>\$4.0766</b>	<b>\$4.3354 (6.3%)</b>	<b>\$4.4942 (3.7%)</b>	<b>\$4.6740 (4%)</b>
<b>Tier 3 18+ to 40 Ccf</b>	<b>\$5.2809</b>	<b>\$6.5031 (23.1%)</b>	<b>\$6.7413 (3.7%)</b>	<b>\$7.0110 (4%)</b>
<b>Tier 4 Over 40 Ccf</b>	<b>\$7.3386</b>	<b>\$8.0638 (9.9%)</b>	<b>\$8.3592 (3.7%)</b>	<b>\$8.6936 (4%)</b>

Excluding CPUC fee, City Tax, surcharges and refunds, an average residential customer with a 5/8-inch meter using 7 ccf (1 ccf = 748 gallons) every month will see an increase in their monthly bill from \$33.29 in 2017 to \$36.03 in 2018. The same bill is estimated to be \$37.60 in 2019 and \$39.10 in 2020, resulting in an overall 17.5% rate increase over 3 years.

## *Where Can I Go for Further Information?*

- To review Cal-Am's tariff schedules, go to:  
<https://amwater.com/caaw/customer-service-billing/billing-payment-info/water-rates>
- To review the Commission's D.18-12-021, go to:  
<http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M252/K251/252251101.pdf>
- To obtain information on the Commission's General Rate Case Process, go to:  
<https://www.cpuc.ca.gov/General.aspx?id=6442461381>

